

Commonly-Used Schools & Libraries

Acronyms & Terms

for Applicants and Service Providers

ACRONYM/TERM	DESCRIPTION
1 st Demand Letter	The 1 st Demand Letter is the initial letter sent by USAC to recover funds from applicants or service providers who have committed Program rule violations.
2 nd Demand Letter	The 2 nd Demand Letter is a follow-up letter to a 1 st Demand Letter sent by USAC in an attempt to recover funds from applicants or service providers who have committed Program rule violations.
ACD	The Allowable Vendor Selection/Contract Date is commonly referred to as Allowable Contract Date, or ACD. The ACD is the earliest date on which an applicant can sign a contract for contracted services or enter into an arrangement for tariffed (T) or month-to-month (MTM) services with a service provider. This date is always 28 days from the posting of the 470 and/or the public availability of the RFP (if one is issued), whichever is later.
Alternative Discount Mechanisms	Schools that choose not to use the National School Lunch Program (NSLP) participation numbers to calculate their E-Rate discounts may use certain federally approved alternative mechanisms instead. These alternative discount mechanisms are based on—or do not exceed—the same measure of poverty established for the NSLP.
AP	An applicant (AP) is a school, library, consortium or other entity that files one or more Program forms.
Appeal	An appeal is a request to reconsider a USAC decision. Appeals can be made to either USAC or the FCC. Appeals must be filed within 60 days of the original USAC decision. Requests for waivers of rules must be filed directly with the FCC.
Audit	An audit is a review of documentation and resources that verify the state of compliance with program rules.
Basic Terminating Component	A basic terminating component, which is normally located on a customer's premises, is necessary to receive an end-to-end service because it provides translation of the digital transmission using the appropriate protocols. Equipment such as channel service unit/data service units (CSU/DSUs), network interface devices, cable modems, and gateways are considered basic terminating components.
BEAR - Form 472	See Form 472.

ACRONYM/TERM	DESCRIPTION
BEAR Notification Letter	The BEAR (Form 472) Notification Letter is sent to the service provider and the applicant after the BEAR has been processed by USAC.
BEN	The BEN (Billed Entity Number) is the unique number assigned by USAC to each Billed Entity – the entity (school, library, or consortia) that pays for services. See also Entity Number.
Bid	A bid is a response from a service provider (bidder) to a Form 470 and/or RFP.
Block 4 Worksheet	Form 471 is divided into six blocks. In a Block 4 worksheet, the applicant lists the entities receiving services and establishes the appropriate discount level.
Block 5 (funding request)	Form 471 is divided into six blocks. In a Block 5 funding request, the applicant provides details about services requested, including service provider, category of service, and cost.
BMIC	Basic Maintenance of Internal Connections (BMIC) is one of the four categories of service. Basic maintenance ensures the necessary and continued operation of eligible internal connections at eligible locations.
CAD	The Contract Award Date (CAD) is the date the contract is awarded by the applicant to the service provider.
CAL	A Commitment Adjustment Letter (CAL) notifies both the applicant and the service provider of a COMAD. It contains a Funding Commitment Report which lists the Funding Request Numbers (FRNs) affected by the COMAD.
CED	The Contract Expiration Date (CED) is the date the contract between the applicant and service provider ends.
CIPA	The Children’s Internet Protection Act (CIPA) is a law that mandates certain Internet Safety policy and filtering requirements for recipients of E-Rate discounts for services other than Telecommunications Services.
COMAD	Commitment Adjustment (COMAD) is the process by which a funding commitment is reduced because of program rule violations.
Common Carrier	A common carrier can be either an organization recognized by a regulatory authority (such as a state public utility commission) to provide telecommunications services to all requesting parties, or an organization that holds itself out to provide such services generally to the public for a fee.

ACRONYM/TERM	DESCRIPTION
Competitive Bidding Process	Filing a Form 470 opens a competitive bidding process. During this process, service providers respond to applicants based on the products and services requested in the Form 470/RFP. Applicants must ensure that the process is open and fair.
Consortium	A consortium is a group of entities that band together for administrative efficiency and/or to obtain bulk pricing when applying for E-Rate funding.
Consultant	A consultant is a company or individual selected to perform certain activities on behalf of an applicant or service provider. A Letter of Agency (LOA) or consultant agreement must be in place before the consultant undertakes these activities.
Corrective SPIN change	A change to the SPIN featured on one or more FRNs that corrects a data entry error, reflects a merger or acquisition, or fixes some other type of error. It is NOT the result of a change to the actual service provider.
CSB	The Client Service Bureau (CSB) is a helpline available to assist applicants and service providers. You can reach the helpline using “Submit a Question” from usac.org, toll-free via fax at 1-888-276-8736, or toll-free via phone at 1-888-203-8100.
Demarcation or Demarc	A demarcation refers to the point where a service provider’s network ends and where an applicant’s local area network (LAN) begins.
Discount	The discount on E-Rate eligible services for an entity or group of entities ranges from a low of 20% to a high of 90% and is based on a measure of poverty and urban/rural status.
DRT	The Data Retrieval Tool (DRT) is a web-based USAC tool used to access information related to applications, funding commitments, and disbursements.
E-Cert or E-Certification	E-Cert is the electronic certification process applicants can use to electronically sign their online forms using a Personal Identification Number or PIN.
Eligible Entity	<p>An eligible entity is</p> <ul style="list-style-type: none"> • an elementary and/or secondary institution that meets the definition found in the No Child Left Behind Act of 2001, 20 U.S.C. § 7801(18) and (38), or • a library or library consortium that meets the definition found in the Library Services and Technology Act, 20 U.S.C. § 9121 <i>et seq.</i>, (1996) (LSTA) and is eligible for assistance from a state library administrative agency under that Act.

ACRONYM/TERM	DESCRIPTION
Eligible Services	Eligible Services are products and services that are eligible for E-Rate support. Eligible Services are divided into two priorities and four categories: Priority 1 includes Telecommunications Services, Internet Access and Telecommunications; Priority 2 includes Internal Connections and Basic Maintenance of Internal Connections.
End-user equipment	Equipment located on school or library premises which staff members would use to access phone and/or internet services: e.g., telephone handsets, cell phones, computers, fax machines. End-user equipment is not eligible for E-Rate discounts.
Entity Number	An entity number is the unique number assigned by USAC to an entity that participates in the E-Rate Program.
E-Rate	“E-Rate” is a common term used in place of “the Schools and Libraries Program.” E-Rate provides discounts to schools and libraries for eligible products and services.
ESA	An Educational Service Agency (ESA) is a regional public multi-service agency authorized by state statute to develop, manage, and provide services or programs to its component school districts. In some states, ESAs are called Educational Service Units (ESUs), Local Educational Agencies (LEAs), Board of Cooperative Educational Services (BOCES), or other similar designations.
ESL	The Eligible Services List (ESL) is a list of the products and services approved for funding by the FCC under the Schools and Libraries Program for a particular funding year.
FCC	The Federal Communications Commission (FCC) is an independent United States government agency. The FCC oversees USAC and the E-Rate Program.
FCC RN	The FCC Registration Number (FCC RN) is an identifying number assigned to Program participants by the FCC. It is associated with an entity’s Taxpayer Identification Number (TIN).
FCDL	A Funding Commitment Decision Letter (FCDL) contains USAC’s funding decisions on an applicant’s funding requests.
Form 470	The Description of Services Requested and Certification Form 470 open the competitive bidding process for services desired by applicants that are eligible for discounts under the E-Rate Program.
Form 471	The Services Ordered and Certification Form 471 is used by the applicant to report services ordered and discounts requested for those services.

ACRONYM/TERM	DESCRIPTION
Form 471 Filing Window	The Form 471 filing window is the period – generally between mid-November and mid-February prior to the start of the Funding Year – when forms filed are treated as having been received on the same day and are considered for funding before any forms filed after the window closes.
Form 472 or BEAR	The Billed Entity Applicant Reimbursement (BEAR) Form 472 is submitted by the applicant after paying for services in full to request reimbursement for the discount on those services.
Form 473 or SPAC	The Service Provider Annual Certification (SPAC) Form 473 is filed annually by the service provider to certify that the service provider will follow program rules and guidelines. This must be filed before USAC will pay invoices.
Form 474 or SPI	The Service Provider Invoice (SPI) Form 474 is submitted by the service provider to request reimbursement for discounts already provided to billed entities on customer bills.
Form 486	The Receipt of Service Confirmation Form 486 is filed by the applicant to inform USAC that services have begun and provide the status of the applicant's technology plan approval and of CIPA compliance.
Form 486 Notification Letter	The Form 486 Notification Letter is issued to both the applicant and service provider to indicate that a Form 486 has been successfully processed.
Form 498	The Service Provider Information Form 498 is completed by service providers to obtain a SPIN (see SPIN below), which is required to participate in any of the universal service programs, and to provide and update contact information.
Form 499-A	The Annual Telecommunications Reporting Worksheet Form 499-A is completed by contributors to the Universal Service Fund – interstate telecommunications providers – to report annual revenues.
Form 499-Q	The Quarterly Telecommunications Reporting Worksheet Form 499-Q is completed by contributors to the Universal Service Fund – interstate telecommunications providers – to report quarterly revenues.
Form 500	The Adjustment to Funding Commitment and Modification to Receipt of Service Confirmation Form 500 is used by applicants to notify USAC of reductions to or cancellations of approved FRNs and/or changes to reported Service Start Dates or Contract Expiration Dates.

ACRONYM/TERM	DESCRIPTION
FRN	The Funding Request Number (FRN) is a number assigned by USAC to each Form 471 Block 5 Discount Funding Request.
Funding Year	Each Funding Year (FY) runs from July 1 to the following June 30.
HATS	Helping Applicants to Succeed (HATS) is an outreach and training program established by USAC to help applicants and service providers by providing targeted, customized training and outreach.
Head Start	Head Start is a comprehensive child development program that serves children from ages 3- 5 and their families. Head Start facilities in some states are eligible for E-Rate funding.
Item 21 Attachment	The Item 21 Attachment to Form 471 provides details on the products or services requested in FRNs that appear on the form.
LAN	A LAN (Local Area Network) is a voice, data, and/or video network that provide connections generally within an eligible school or library to other locations within the school or library.
LOA	A Letter of Agency (LOA) authorizes (1) a consortium leader to apply for E-Rate discounts on behalf of each consortium member or (2) a consultant to conduct specified activities on behalf of an applicant or service provider.
LSTA	The Library Services and Technology Act (LSTA) 20 U.S.C. § 9121 <i>et seq.</i> , (1996) provides the statutory definition of a library.
Mini-bid	A mini-bid is an evaluation process used by applicants when a state files a Form 470 and signs state master contracts with more than one service provider as a result. The applicant cannot simply choose one of these service providers, but must evaluate all eligible state master contracts and demonstrate why the service provider it chooses is the most cost-effective solution.
Ministerial and Clerical Errors	Ministerial and clerical errors are errors made in E-Rate forms that can be corrected after the forms are submitted to USAC.
News Brief	The News Brief is a weekly newsletter that provides up-to-date program information, including important dates, tips regarding the application process, and other breaking news.

ACRONYM/TERM	DESCRIPTION
NIF	A Non-Instructional Facility (NIF) is a school building without classrooms or a library building without public areas. Examples of school NIFs include administrative buildings, bus barns, and cafeteria facilities. Examples of library NIFs include administrative buildings, bookmobile garages, and interlibrary loan facilities.
No Child Left Behind Act	The No Child Left Behind Act provides the statutory definition of elementary and secondary schools.
Non-discount portion	The non-discount portion of an FRN is the applicant's share of the cost, i.e., the cost of services not covered by the E-Rate discount.
NPRM	A Notice of Proposed Rulemaking (NPRM) is an announcement issued by the FCC to detail proposed changes to FCC rules and policies and seek public comment on the changes.
NSLP	The National School Lunch Program (NSLP) provides school lunches to eligible students at a free or reduced rate.
OIG	The Office of Inspector General (OIG) is a division of the FCC that provides independent and objective audits and investigations relating to agency programs and operations.
OMB	The Office of Management and Budget (OMB) is a component of the Executive Office of the President of the United States. It reviews and approves FCC forms and other means of data collection.
Online BEAR	The Online BEAR is the online version of Form 472.
On-premise Priority One Equipment	On-premise Priority One Equipment is equipment owned by a service provider but located at an applicant site. This equipment can be funded as Priority 1 if it meets the conditions of the "Tennessee Test" (see below).
Operational SPIN change	A change to the SPIN featured on one or more FRNs made as a result of a change to the actual service provider.
P1: Priority 1	Telecommunications and Internet Access services are known collectively as "Priority 1" since they are considered primary and funded first.
P2: Priority 2	Internal Connections Other than Basic Maintenance of Internal Connections and Basic Maintenance of Internal Connections are collectively known as "Priority 2" since they are funded after Telecommunications and Internet Access services, beginning with the applicants at the highest discount levels.

ACRONYM/TERM	DESCRIPTION
PIA	Program Integrity Assurance (PIA) is the compliance review process completed before funding commitments are made by USAC.
PIN	A Personal Identification Number (PIN) is a code assigned to a specific authorized person at a specific Billed Entity to allow online form certification.
PN	A Public Notice (PN) is issued by the FCC to notify the public of an action taken, a change made, or an upcoming event.
Quarterly Disbursement Report	The Quarterly Disbursement Report is a report issued to the applicant detailing all invoicing activity (BEARs and SPIs) during the previous quarter.
RAL	The Receipt Acknowledgment Letter (RAL) is issued by USAC to both the applicant and service provider to indicate that a timely filed Form 471 has been received and certified and to allow ministerial and clerical corrections.
Red Light Rule	The Red Light Rule requires the FCC to withhold action on applications and other requests for benefits when the entity seeking benefits is delinquent in non-tax debts owed to the FCC or other federal governmental agencies, and to dismiss such applications or other request if the delinquency is not resolved.
Remand	A remand is an action taken by the FCC to return applications to USAC for further review.
RFCDL	A Revised Funding Commitment Decision Letter (RFCDL) is issued by USAC to applicants and service providers when changes to a funding commitment occur, usually as the result of a successful appeal.
RFP	A Request For Proposal (RFP) is a form of solicitation for products or services that provides detailed information regarding those products or services and any additional details necessary for potential bidders to respond.
RIDF	Recovery of Improperly Disbursed Funds (RIDF) is required when there has been a COMAD but funds have already been disbursed in excess of the revised commitment amount.
RNL	The Form 470 Receipt Notification Letter (RNL) is a letter issued by USAC to notify applicants that the Form 470 has been successfully posted.

ACRONYM/TERM	DESCRIPTION
Selective Review	Selective Review is a detailed compliance review in addition to the normal PIA review that certain applicants must undergo before funding commitments can be issued.
Service End Date	The Service End Date is the date that services will end for an FRN. USAC may adjust this date if a program violation is identified or a deadline is missed.
Service Start Date	The Service Start Date is the date that services will start for an FRN. USAC may adjust this date if a program violation is identified or a deadline is missed.
Service Substitution	A service substitution is a change in the products and/or services requested in an FRN.
Shared Discounts	Shared discounts are discounts calculated for a group of individual schools and/or libraries that will share a particular service. They may be simple averages or weighted averages of the discounts of the individual entities.
SLD	SLD (Schools and Libraries Division) is a division of USAC that administers the Schools and Libraries support mechanism, commonly known as E-Rate.
SMC	A State Master Contract (SMC) is a contract implemented by a state government which can be used by eligible entities within the state to procure products and/or services.
SP	A Service Provider (SP) is an entity that provides eligible products and services to eligible entities.
SPAC – Form 473	See Form 473
SPI – Form 474	See Form 474
SPIN – Form 498	See Form 498
SPIN	A Service Provider Identification Number (SPIN) is the unique number assigned by USAC to each service provider participating in any of the four universal service programs. A SPIN is required to receive payments from USAC. See Form 498.
SRIR	A Selective Review Information Request (SRIR) is the request for information sent to applicants when they have been chosen for Selective Review.

ACRONYM/TERM	DESCRIPTION
State Master Contract	A contract that is competitively bid and put in place by a state government entity for use by others.
State Replacement Contract	A state master contract, filed pursuant to a state-filed Form 470, that can replace an existing state master contract which expires before the end of the upcoming funding year.
Technology Plan	A technology (tech) plan is a plan prepared by a school or library that sets out how information technology and telecommunications infrastructure will be used to achieve educational goals, specific curriculum reforms, or library service improvements. Technology plans must be approved by a USAC-certified Technology Plan Approver . Beginning with FY2011, technology plans are only required for Priority 2 services.
Technology Plan Approval Date	The technology plan approval date is the date that a USAC-certified Technology Plan Approver officially approves the technology plan (this is different from the technology plan creation date).
Technology Plan Approval Letter	The technology plan approval letter is issued by a USAC-certified Technology Plan Approver to approve an applicant's technology plan. Approvals may also be issued electronically or posted on a website.
Technology Plan Creation Date	The technology plan creation date is the date that a technology plan was first written or prepared. (It is not the date that the final version of the plan was approved.)
Tennessee Test	The term "Tennessee Test" comes from an FCC decision that specified the various conditions that an applicant must meet for on-premise equipment to be funded as Priority 1 services.
Tip Sheets	Tip sheets are a series of one-page documents that provide helpful information on specific E-Rate topics and best practices.
TPA	A USAC-certified Technology Plan Approver is an agency or organization that has been certified by USAC to approve technology plans.
Two-in-Five Rule	The Two-In-Five Rule states that, beginning with FY 2005, eligible entities will only be able to receive E-Rate discounts for Internal Connections Other than Basic Maintenance two out of every five funding years.

ACRONYM/TERM	DESCRIPTION
USAC	The Universal Service Administrative Company (USAC) is the private, not-for-profit corporation responsible for administering the Universal Service Fund (USF).
USF	Money collected from telecommunications companies and dedicated to fulfilling the goals of universal service. Under the authority of the 1996 Telecom Act, the FCC created the USF as well as USAC, the organization charged with administering the USF. Telecommunications companies make contributions to the USF based on revenues from providing international and interstate telecommunications services.
VoIP	Voice over Internet Protocol (VoIP) is a technology that allows users to make phone calls using the same line as an Internet connection.
WAN	A Wide Area Network (WAN) is a voice, data, and/or video network that provide connections from within an eligible school or library to other locations beyond the school or library.
Wave	A wave is the term used for a group of funding commitment notifications that USAC issues to applicants and service providers on a given date. Waves are usually issued weekly.
Whistleblower Alert Hotline /“Code 9 Call”	The Whistleblower Alert Hotline allows members of the public to report suspected violations of program rules to USAC. These reports can be made anonymously and toll-free by calling 1-888-203-8100.